

FINANCE COMMITTEE CHARTER

1. Members. The Finance Committee (the “*Committee*”) of Cadence Design Systems, Inc. (the “*Corporation*”) shall consist of at least two (2) directors, at least one (1) of whom shall have been determined by the Board of Directors of the Corporation (the “*Board*”) to be an “independent director” within the meaning of the listing standards of the Nasdaq Stock Market. The Board shall appoint the members and the Chair of the Committee in accordance with the Corporate Governance Guidelines of the Board, upon recommendation by the Corporate Governance and Nominating Committee of the Board. The members of the Committee shall serve for such terms as the Board may determine, or until their earlier resignation, death or removal, and may be removed by the Board in its discretion.

2. Purposes. The Committee shall be authorized, on behalf of the Board, to evaluate and approve financing and capital arrangements, mergers, acquisitions, divestitures and other financial commitments by the Corporation to third parties unaffiliated with the Corporation that concern any amount up to US \$200 million.

3. Meetings. The Committee shall hold meetings as needed. The Committee shall report to the full Board at the next regular Board meeting with respect to the Committee’s meetings since the previous regular Board meeting. A majority of the members of the Committee shall constitute a quorum unless there are only two members of the Committee, in which case a quorum shall require the presence of both members (except in compliance with the paragraph below in the event of an Interested Member).

4. Voting. Each member of the Committee shall have one vote. The Committee shall be authorized to take a permitted action only by an affirmative vote of a majority of the Committee members at a meeting at which a quorum is present (except where action is required to be taken as described in Section 5 below), or by the unanimous written consent of all members of the Committee.

5. Authority. The Committee recognizes that, from time to time, potential investments or informational matters regarding, or other transactions or proposed transactions by, the Corporation may be proposed, communicated or referred to the Corporation by one or more members of the Board who may have an actual or potential interest in such proposed transaction or investment other than as a member of the Board or the Committee (the “*Interested Member*”). The Committee shall be authorized to consent to such potential investments, review such other informational matters or act with respect to such transactions or proposed transactions, as the case may be, provided that (i) the Interested Member recuses himself or herself from consideration of the matter, (ii) at least a majority of the disinterested members of the Committee or, if there shall only be one disinterested member of the Committee, at least that member shall consent to the investment, after evaluating in good faith any potential conflicts of interest the specific referral may create, and (iii) such matter is otherwise approved in accordance with the Corporation’s Related Party Transaction Policy and Procedures, if applicable, and the Corporation’s Code of Business Conduct.

6. Revisions to Charter. The Committee shall review and reassess the adequacy of the Committee’s Charter at least annually and recommend to the Board for approval any amendment or modification of its Charter at any time in accordance with applicable law and regulations.